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**ST. JAMES PARISH CLERK OF COURT**  
Convent, Louisiana

**Financial Report**

**Year Ended June 30, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11/4/09

## TABLE OF CONTENTS

	Page
Independent Auditors' Report	1-2
 <b>BASIC FINANCIAL STATEMENTS</b>	
 <b>GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)</b>	
Statement of net assets	5
Statement of activities	6
 <b>FUND FINANCIAL STATEMENTS (FFS)</b>	
Balance sheet - governmental fund	8
Reconciliation of the governmental fund balance sheet to the statement of net assets	9
Statement of revenues, expenditures, and changes in fund balance- governmental fund	10
Reconciliation of the statement of revenues, expenditures, and changes in fund balance of the governmental fund to the statement of activities	11
Statement of fiduciary net assets	12
 Notes to basic financial statements	 13-23
 <b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Budgetary comparison schedule: General Fund	25
 <b>OTHER SUPPLEMENTARY INFORMATION</b>	
 <b>OTHER FINANCIAL INFORMATION</b>	
Major Governmental Fund -	
General Fund - budgetary comparison schedule - revenues	28
General Fund - budgetary comparison schedule - expenditures	29
 Fiduciary Funds -	
Combining statement of assets and liabilities	31
Combining statement of changes in assets and liabilities	32

(continued)

## TABLE OF CONTENTS (continued)

	<u>Page</u>
INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	34-35
Summary schedule of current and prior year audit findings and corrective action plan	36

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*  
Robert S. Carter, CPA\*  
Arthur R. Nixon, CPA\*

Tynes E. Nixon, Jr., CPA  
Allen J. LaBry, CPA  
Albert R. Leger, CPA, PFS, CSA\*  
Penny Angelle Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Marshall W. Guidry, CPA  
Alan M. Taylor, CPA  
James R. Roy, CPA  
Robert J. Meltz, CPA  
Kelly M. Doucet, CPA  
Cheryl L. Bartley, CPA  
Mandy B. Self, CPA  
Paul L. Delcambre, Jr. CPA  
Wanda F. Arcement, CPA, CVA  
Kristin B. Dauzat, CPA  
Richard R. Anderson Sr., CPA  
Carolyn C. Anderson, CPA

Retired:  
Conrad O. Chapman, CPA\* 2006  
Harry J. Clostco, CPA 2007

\* A Professional Accounting Corporation

## OFFICES

183 South Beadle Rd  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

450 East Main Street  
New Iberia, LA 70560  
Phone (337) 367-9204  
Fax (337) 367-9208

113 East Bridge St.  
Breaux Bridge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

200 South Main Street  
Abbeville, LA 70510  
Phone (337) 893-7944  
Fax (337) 893-7946

1234 David Dr. Ste 203  
Morgan City, LA 70380  
Phone (985) 384-2020  
Fax (985) 384-3020

1013 Main Street  
Franklin, LA 70538  
Phone (337) 828-0272  
Fax (337) 828-0290

408 West Cotton Street  
Vile Platte, LA 70586  
Phone (337) 363-2782  
Fax (337) 363-3049

133 East Waddil St.  
Marksville, LA 71351  
Phone (318) 253-9252  
Fax (318) 253-8681

332 West Sixth Avenue  
Oberlin, LA 70655  
Phone (337) 639-4737  
Fax (337) 639-4568

621 Main Street  
Pinerville, LA 71360  
Phone (318) 442-4421  
Fax (318) 442-9833

WEB SITE  
WWW.KCSRPCAS.COM

## INDEPENDENT AUDITORS' REPORT

The Honorable Edmond E. Kinler, Jr.  
St. James Parish Clerk of Court  
Convent, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the St. James Parish Clerk of Court, a component unit of the St. James Parish Government, as of and for the year ended June 30, 2009, which collectively comprise the St. James Parish Clerk of Court's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the St. James Parish Clerk of Court. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the St. James Parish Clerk of Court, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the St. James Parish Clerk of Court, as of June 30, 2009, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated September 16, 2009 on our consideration of the St. James Parish Clerk of Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The required supplementary information on page 25 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The prior year comparative information on the required supplementary information has been derived from the St. James Parish Clerk of Court's 2008 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements taken as a whole.

The St. James Parish Clerk of Court has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. James Parish Clerk of Court's basic financial statements. The other supplementary information section is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The prior year comparative information on the other supplementary information has been derived from the St. James Parish Clerk of Court's 2008 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements taken as a whole.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
September 16, 2009

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Statement of Net Assets  
June 30, 2009

	Governmental Activities
<hr/>	
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$ 80,936
Investments	100,200
Receivables, net	24,242
Accrued interest	1,473
Prepaid expenditures	<u>2,820</u>
Total current assets	209,671
Noncurrent assets:	
Capital assets, net	<u>61,357</u>
Total assets	<u>271,028</u>
LIABILITIES	
Current liabilities:	
Accounts and other payables	4,182
Noncurrent liabilities:	
Compensated absences payable	<u>23,850</u>
Total liabilities	<u>28,032</u>
NET ASSETS	
Invested in capital assets	61,357
Unrestricted	<u>181,639</u>
Total net assets	<u>\$ 242,996</u>

The accompanying notes are an integral part of the basic financial statements.



ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Statement of Activities  
For the Year Ended June 30, 2009

Activities	Program Revenues		Net (Expense) Revenues and Changes in Net Assets
	Expenses	Charges for Services	
Governmental activities:			
General government	\$ 763,377	\$ 732,471	\$ (30,906)
		\$ -	
General revenues:			
Interest and investment earnings			9,621
Change in net assets			(21,285)
Net assets - July 1, 2008			264,281
Net assets - June 30, 2009			\$242,996

The accompanying notes are an integral part of the basic financial statements.

**FUND FINANCIAL STATEMENTS (FFS)**

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Balance Sheet - Governmental Fund  
June 30, 2009

	<u>General Fund</u>
<b>ASSETS</b>	
Cash	\$ 80,936
Investments	100,200
Receivables:	
Accounts receivable	24,242
Accrued interest	1,473
Prepaid expenditures	<u>2,820</u>
Total assets	<u>\$ 209,671</u>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities:	
Accounts payable	<u>\$ 4,182</u>
Fund balance:	
Reserved	2,820
Unreserved, undesignated	<u>202,669</u>
Total fund balance	<u>205,489</u>
 Total liabilities and fund balance	 <u>\$ 209,671</u>

The accompanying notes are an integral part of the basic financial statements.

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Assets  
June 30, 2009

Total fund balance for the governmental fund at June 30, 2009		\$ 205,489
Cost of capital assets at June 30, 2009	\$ 193,674	
Less: Accumulated depreciation	<u>(132,317)</u>	61,357
Long-term liabilities at June 30, 2009:		
Compensated absences payable		<u>(23,850)</u>
Total net assets of governmental activities at June 30, 2009		<u>\$ 242,996</u>

The accompanying notes are an integral part of the basic financial statements.

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Governmental Fund  
For the Year Ended June 30, 2009

	<u>General Fund</u>
Revenues:	
Licenses and permits	\$ 3,330
Fees, charges, and commissions for services -	
Court costs, fees, and charges	134,601
Fees for recording legal documents	509,832
Fees for certified copies	84,708
Use of money and property	
Interest earnings	<u>9,621</u>
Total revenues	<u>742,092</u>
Expenditures:	
Current -	
Personal services and related benefits	661,734
Operating services	42,111
Materials and supplies	63,890
Capital outlay	<u>-</u>
Total expenditures	<u>767,735</u>
Deficiency of revenues over expenditures	(25,643)
Fund balance, beginning of year	<u>231,132</u>
Fund balance, end of year	<u>\$ 205,489</u>

The accompanying notes are an integral part of the basic financial statements.

**Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of the Governmental Fund  
to the Statement of Activities  
For the Year Ended June 30, 2009**

The accompanying notes are an integral part of the basic financial statements.

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Statement of Fiduciary Net Assets  
June 30, 2009

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash	\$ 109,451
Interest-bearing deposits	<u>1,161,548</u>
Total assets	<u>\$1,270,999</u>
<b>LIABILITIES</b>	
Due to litigants and others	<u>\$1,270,999</u>

The accompanying notes are an integral part of the basic financial statements.

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the St. James Parish Clerk of Court have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statements of the fiduciary fund, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in a subsequent subsection of this note.

Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:513 and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, a Clerk of Court serves as the ex-officio notary public, the recorder of conveyances, mortgages and other acts, and shall have other duties and powers provided by law. A Clerk of Court is elected for a term of four years.

These financial statements only include funds and activities that are controlled by the Clerk of Court as an independently elected parish official. The Clerk of Court is a component unit of the St. James Parish Government. The Clerk of Court is fiscally dependent on the St. James Parish Government since the Clerk's offices are located in the Parish Court House. The Parish Government pays for the upkeep and maintenance of the courthouse and certain operating expenditures of the Clerk's office.

As an independently elected official, the Clerk of Court is solely responsible for the operations of his office, which includes the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Certain units of local government over which the Clerk of Court exercises no oversight responsibility, such as the parish school board, other independently elected officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the Parish Clerk of Court.



ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

The accompanying basic financial statements of the Clerk have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government – Wide Financial Statements (GWFS)

The statement of net assets and the statement of activities display information about the Clerk as a whole. These statements include all the financial activities of the Clerk. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Clerk's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the Clerk, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Accounting

The accounts of the Clerk of Court are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Clerk of Court are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the entity or total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund is at least 10 percent of the corresponding total for all funds of that category or type.

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

The major fund of the Clerk of Court is described below:

Governmental Fund -

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk of Court and is used to account for the operations of the Clerk of Court's office. The various fees and charges due to the Clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Additionally, the Clerk of Court reports the following fund types:

Fiduciary Funds -

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the Clerk of Court. The funds accounted for in this category by the Clerk of Court are the agency funds. The agency funds are as follows:

Advance Deposit Fund – accounts for advance deposits on suits filed by litigants.

Registry of the Court Fund – accounts for funds which have been ordered by the court to be held until judgment has been rendered in court litigation.

Jury Fund – account is to pay jurors who report for Petit and Civil Jury.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded with the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. The governmental fund utilizes a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

- b. The government-wide financial statement utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets.

**Basis of Accounting**

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

**D. Assets, Liabilities and Equity**

**Cash and interest-bearing deposits and investments**

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Clerk of Court. At June 30, 2009, all of the Clerk’s investments are in the Louisiana Asset Management Pool (LAMP), which are stated at amortized cost.

**Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk of Court maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment	5-10 years
-----------------------------------	------------

Compensated Absences

Employees of the Clerk of Court's office earn vacation and sick leave each year as follows:

Vacation –

- (a) Employees with 1 – 12 years earn 9 days per year.
- (b) Employees with 13 – 22 years earn 13 days per year.
- (c) Employees with more than 22 years earn 17 days per year.

Sick leave –

- (a) Employees with 1 – 3 years earn 9 days per year.
- (b) Employees with 3 – 10 years earn 13 days per year.
- (c) Employees with more than 10 years earn 17 days per year.

Vacation and sick are accrued annually for the current year only. Unused leave at the end of each calendar year will be forfeited. At June 30, 2009, the Clerk of Court has \$23,850 of accumulated sick leave benefits required to be reported in accordance with GASB Statement No. 16, "Accounting for Compensated Absences."

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in two components:

- a. Invested in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation.
- b. Unrestricted net assets – All other net assets that do not meet the definition "invested in capital assets."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses are those that result from providing services and producing and delivering goods and/or services. Revenues and fees, charges and commission for services are recorded when the Clerk is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenue when earned. Substantially all other revenues are recorded when received.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function. In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character

F. Budgetary Accounting

The Clerk of Court follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A proposed budget is prepared and submitted to the Clerk of Court for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Clerk of Court. Such amendments were not material in relation to the original appropriations.

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

G. Bad Debts

Through the establishment of an allowance account, uncollectible amounts due from customers' receivables are recognized as bad debts at the time information becomes available, which would indicate the uncollectibility of the particular receivable. The allowance for uncollectibles for customers' receivables at June 30, 2009 was \$750.

(2) Cash and Interest-Bearing Deposits

Under state law, the Clerk of Court may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Clerk of Court may also invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2009, the Clerk of Court has cash and interest-bearing deposits (book balances) totaling \$1,351,935 as follows:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Demand deposits	\$ 80,936	\$ 109,451	\$ 190,387
Time and money-market deposits	<u>-</u>	<u>1,161,548</u>	<u>1,161,548</u>
Total	<u>\$ 80,936</u>	<u>\$1,270,999</u>	<u>\$1,351,935</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Clerk of Court's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Clerk of Court or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2009 are secured as follows:

Bank balances	<u>\$ 1,463,597</u>
Federal insurance	\$ 555,510
Pledged securities	<u>908,087</u>
Total federal insurance and pledged securities	<u>\$ 1,463,597</u>

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

Pledged securities in the amount of \$908,087 were exposed to custodial credit risk. These securities include uninsured or unregistered investments for which the securities are held by the bank, or by its trust department or agent, but not in the Clerk's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk that the fiscal agent has failed to pay deposited funds upon demand.

(3) Investments

Investments in the amount of \$100,200 at June 30, 2009 are in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and state wide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by the Securities and Exchange Commission's (SEC's) Rule 2-a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days. The fair market value of investments is determined on a weekly basis to monitor any variances between amortized cost and market value. The fair market value of the Clerk's investment in LAMP is the same as the value of the pool shares. Normally, investments are required to be reported at fair value. For purposes of determining participants' shares, investments are valued at amortized cost. Investments in an external investment pool can be reported at amortized cost of the external investment pool. LAMP is an external investment pool that operates in a manner consistent with SEC Rule 2a7. The fair value of the investment is not materially different from the reported amount. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

(4) Capital Assets

Capital asset activity for the year ended June 30, 2009 was as follows:

	Balance 7/1/2008	Additions	Deletions	Balance 6/30/2009
Governmental activities:				
Equipment, furniture and fixtures	\$178,924	\$ -	\$ -	\$178,924
Automobile	14,750	-	-	14,750
Total	193,674	-	-	193,674
Less: accumulated depreciation	100,629	31,688	-	132,317
Governmental activities, capital assets, net	<u>\$ 93,045</u>	<u>\$ (31,688)</u>	<u>\$ -</u>	<u>\$ 61,357</u>

Depreciation expense of \$31,688 was charged to the general government function.

(5) Changes in Long-Term Debt

Long-term debt for the Clerk of Court consists of compensated absences payable. The following is a summary of the long-term debt transactions during the year:

Long-term debt payable at June 30, 2008	\$59,896
Additions	-
Reductions	(36,046)
Long-term debt payable at June 30, 2009	<u>\$23,850</u>

The balance in long-term debt represents accumulated vacation and sick leave that is fully vested as approved by the Clerk of Court at June 30, 2009.

(6) Other Post-Employment Benefits

The Clerk of Court provides continuing health, dental and life insurance benefits for its eligible retired employees. As of June 30, 2009, the plan covered 100 percent of the employees' health, dental, and life insurance premiums. The plan does not cover any of the spouses' premiums. The costs of these premiums are recorded as expenses when paid by the Clerk of Court annually. For the year ended June 30, 2009, the amount of retiree benefits totaled \$6,717 and there was one former employee qualified to receive such benefits.

In June 2004, the Governmental Accounting Standards Board (GASB) issued Statement 45 "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." This statement requires the accrual of postemployment benefits for retired employees. The Clerk of Court is required to implement this standard for the fiscal year ending June 30, 2010. The Clerk of Court has not yet determined the full impact that adoption of GASB Statement 45 will have on the financial statements.



ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Pension Plan

Plan Description. – Substantially all employees of the St. James Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of credited service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

The System issues an annual publicly available financial report that included financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (225) 293-1162.

Funding Policy. - Plan members are required by state statute to contribute 8.25% of their annual covered salary and the St. James Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.75% of annual covered payroll. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the St. James Parish Clerk of Court are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The St. James Parish Clerk of Court's contributions to the Retirement System for the years ended June 30, 2009, 2008, and 2007 were \$86,900, \$87,255, and \$96,375, respectively, equal to the required contributions for each year.

(8) Deferred Compensation Plan

Plan Description. The St. James Parish Clerk of Court offers its employees participation in the Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. The plan is reported as an agency fund in the State of Louisiana's financial statements. The plan, available to all Clerk of Court's employees, permits the employees to defer a portion of their salary until future years. The Clerk of Court matches 100% of employee contributions. The Clerk of Court's contribution to the plan amounted to \$33,825, \$34,650, and \$32,325 for the years ended June 30, 2009, 2008, and 2007 respectively. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Notes to Basic Financial Statements (Continued)

The assets of the plan are held in trust as described in IRC Section 457(g) for the exclusive benefit of the participants and their beneficiaries. The custodian thereof for the exclusive benefit of the participants holds the custodial account for the beneficiaries of this plan, and the assets may not be diverted to any other use. The administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account, and all other matters. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

It is the opinion of management, after consulting with legal counsel, that the Clerk of Court has no liability for losses under the plan.

(9) Changes in Agency Fund Balances

A summary of changes in agency fund unsettled deposits for the year ended June 30, 2009 follows:

	Unsettled Deposits at Beginning of Year	Additions	Reductions	Unsettled Deposits at End of Year
Agency funds:				
Advance Deposit	\$ 509,644	\$ 498,617	\$ 472,597	\$ 535,664
Registry of Court	797,845	103,670	174,272	727,243
Jury Fund	7,054	47,880	46,842	8,092
Totals	<u>\$1,314,543</u>	<u>\$ 650,167</u>	<u>\$ 693,711</u>	<u>\$1,270,999</u>

(10) Risk Management

The Clerk of Court is exposed to risks of loss in the areas of auto liability, professional liability and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

(11) Litigation and Claims

The St. James Parish Clerk of Court is a defendant in a class action suit filed against Louisiana Clerks of Court. The suit alleges improper fees charged to litigants. At June 30, 2009, the liability associated with this suit was not determinable.

(12) Expenditures of the Clerk of Court Paid by the Parish Government

The Clerk's office is located in the St. James Parish Courthouse. The St. James Parish Government pays the upkeep and maintenance of the courthouse. In addition, the Parish Government also pays some of the Clerk's operating expenditures. These expenditures are not reflected in the accompanying financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Budgetary Comparison Schedule  
General Fund  
Year Ended June 30, 2009  
With Comparative Actual Amounts for the Year Ended June 30, 2008

	2009			Variance -	2008
	Budget		Actual	Positive (Negative)	Actual
	Original	Final			
Revenues:					
Licenses and permits	\$ 4,000	\$ 3,000	\$ 3,330	\$ 330	\$ 3,600
Fees, charges, and commissions for services -					
Court costs, fees, and charges	108,100	128,685	134,601	5,916	91,901
Fees for recording legal documents	584,000	516,500	509,832	(6,668)	595,505
Fees for certified copies	100,000	93,100	84,708	(8,392)	84,954
Use of money and property -					
Interest earnings	<u>24,000</u>	<u>10,000</u>	<u>9,621</u>	<u>(379)</u>	<u>21,221</u>
Total revenues	<u>820,100</u>	<u>751,285</u>	<u>742,092</u>	<u>(9,193)</u>	<u>797,181</u>
Expenditures:					
Current -					
Personal services and related benefits	662,606	659,862	661,734	(1,872)	694,307
Operating services	34,300	43,794	42,111	1,683	35,410
Materials and supplies	67,050	65,000	63,890	1,110	64,143
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>665</u>
Total expenditures	<u>763,956</u>	<u>768,656</u>	<u>767,735</u>	<u>921</u>	<u>794,252</u>
Excess (deficiency) of revenues over expenditures	56,144	(17,371)	(25,643)	(8,272)	2,656
Fund balance, beginning of year	<u>231,132</u>	<u>231,132</u>	<u>231,132</u>	<u>-</u>	<u>228,476</u>
Fund balance, end of year	<u>\$287,276</u>	<u>\$213,761</u>	<u>\$205,489</u>	<u>\$ (8,272)</u>	<u>\$231,132</u>

## **OTHER SUPPLEMENTARY INFORMATION**

## **OTHER FINANCIAL INFORMATION**

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana  
General Fund

Budgetary Comparison Schedule - Revenues  
Year Ended June 30, 2009  
With Comparative Actual Amounts for the Year Ended June 30, 2008

	2009			Variance -	2008
	Budget		Actual	Favorable	Actual
	Original	Final		(Unfavorable)	
Revenues:					
Licenses and permits -					
Marriage licenses	\$ 4,000	\$ 3,000	\$ 3,330	\$ 330	\$ 3,600
Court costs, fees, and charges -					
Court attendance	7,000	7,000	6,200	(800)	6,500
Criminal costs	50,000	66,000	73,712	7,712	36,886
Qualifying fees	3,500	3,335	2,502	(833)	3,686
Other	47,600	52,350	52,187	(163)	44,829
Total court costs, fees and charges	108,100	128,685	134,601	5,916	91,901
Fees for recording legal documents -					
Recordings	300,000	186,000	179,450	(6,550)	284,526
Suits and successions	280,000	327,000	326,974	(26)	306,996
Mortgage certificates	4,000	3,500	3,408	(92)	3,983
Total fees for recording legal documents	584,000	516,500	509,832	(6,668)	595,505
Fees for certified copies -					
Certified copies	100,000	93,100	84,708	(8,392)	84,954
Use of money and property -					
Interest earned	24,000	10,000	9,621	(379)	21,221
Total revenues	\$820,100	\$751,285	\$742,092	\$ (9,193)	\$797,181

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana  
General Fund

Budgetary Comparison Schedule - Expenditures  
Year Ended June 30, 2009  
With Comparative Actual Amounts for the Year Ended June 30, 2008

	2009				
	Budget			Variance -	2008
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Current:					
Personal services and related benefits -					
Salaries:					
Clerk	\$113,960	\$113,960	\$113,960	\$ -	\$138,891
Deputy clerks	324,600	321,330	321,330	-	324,910
Other	3,000	100	100	-	-
Allowance	11,396	11,396	11,396	-	14,956
Clerk supplemental	9,000	9,500	11,323	(1,823)	10,463
Group insurance	78,000	79,500	79,549	(49)	78,558
Pension	118,450	120,725	120,725	-	121,905
Medicare tax	4,200	3,351	3,351	-	4,624
Total personal services and related benefits	<u>662,606</u>	<u>659,862</u>	<u>661,734</u>	<u>(1,872)</u>	<u>694,307</u>
Operating services -					
Professional fees	13,500	19,422	17,287	2,135	12,540
Insurance	4,500	4,500	4,230	270	4,396
Election expense allowance	2,400	2,322	2,322	-	2,388
Cott index	500	1,050	914	136	1,128
Postage	6,400	9,000	9,823	(823)	7,588
Birth certificates	7,000	7,500	7,495	5	7,112
Bad debts	-	-	40	(40)	220
Miscellaneous	-	-	-	-	38
Total operating services	<u>34,300</u>	<u>43,794</u>	<u>42,111</u>	<u>1,683</u>	<u>35,410</u>
Materials and supplies -					
Office supplies	60,250	58,400	57,325	1,075	58,533
Automobile supplies and maintenance	4,000	3,800	3,574	226	3,507
Dues and subscriptions	2,800	2,800	2,991	(191)	2,103
Total materials and supplies	<u>67,050</u>	<u>65,000</u>	<u>63,890</u>	<u>1,110</u>	<u>64,143</u>
Capital outlay:					
Office equipment	-	-	-	-	665
Total expenditures	<u>\$763,956</u>	<u>\$768,656</u>	<u>\$767,735</u>	<u>\$ 921</u>	<u>\$794,525</u>



## **FIDUCIARY FUND TYPE - AGENCY FUNDS**

### **Advance Deposit Fund II -**

This Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, is used to account for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

### **Registry of Court Fund -**

The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, is used to account for funds which have been ordered by the court to be held until judgment has been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.

### **Jury Fund -**

Act 632 of the State Legislature for the year 1979, authorized payment to Jurors who report for Jury Duty. This account is to pay Jurors who report for Petit and Civil Jury. The monies are collected from the St. James Parish Government or the Advance Deposit Accounts.

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana  
Agency Funds

Combining Statement of Assets and Liabilities  
June 30, 2009  
With Comparative Totals for June 30, 2008

	<u>Advance Deposit II</u>	<u>Registry of Court</u>	<u>Jury Fund</u>	<u>Totals</u>	
				<u>2009</u>	<u>2008</u>
<b>ASSETS</b>					
Cash	\$ 85,053	\$ 16,306	\$ 8,092	\$ 109,451	\$ 83,004
Interest-bearing deposits	<u>450,611</u>	<u>710,937</u>	<u>-</u>	<u>1,161,548</u>	<u>1,231,539</u>
Total assets	<u>\$535,664</u>	<u>\$727,243</u>	<u>\$ 8,092</u>	<u>\$1,270,999</u>	<u>\$1,314,543</u>
<b>LIABILITIES</b>					
Due to St. James Parish Council	\$ -	\$ -	\$ 8,092	\$ 8,092	\$ 7,054
Due to litigants	<u>535,664</u>	<u>727,243</u>	<u>-</u>	<u>1,262,907</u>	<u>1,307,489</u>
Total liabilities	<u>\$535,664</u>	<u>\$727,243</u>	<u>\$ 8,092</u>	<u>\$1,270,999</u>	<u>\$1,314,543</u>

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana  
Agency Funds

Combining Statement of Changes in Assets and Liabilities  
Year Ended June 30, 2009  
With Comparative Totals for the Year Ended June 30, 2008

	Advance Deposit II	Registry of Court	Jury Fund	Totals	
				2009	2008
<b>ASSETS</b>					
Cash, beginning of year	\$ 59,644	\$ 16,306	\$ 7,054	\$ 83,004	\$ 76,791
Interest-bearing deposits, beginning of year	<u>450,000</u>	<u>781,539</u>	<u>-</u>	<u>1,231,539</u>	<u>1,222,203</u>
Total assets, beginning of year	<u>509,644</u>	<u>797,845</u>	<u>7,054</u>	<u>1,314,543</u>	<u>1,298,994</u>
Additions:					
Suits and successions	498,617	-	-	498,617	482,372
Parish	-	-	47,880	47,880	10,685
Deposits per court order	-	101,551	-	101,551	176,433
Interest	<u>-</u>	<u>2,119</u>	<u>-</u>	<u>2,119</u>	<u>6,332</u>
Total additions	<u>498,617</u>	<u>103,670</u>	<u>47,880</u>	<u>650,167</u>	<u>675,822</u>
Total	<u>1,008,261</u>	<u>901,515</u>	<u>54,934</u>	<u>1,964,710</u>	<u>1,974,816</u>
Reductions:					
Clerk's costs (transferred to General Fund)	326,973	-	-	326,973	306,996
Refunds to litigants	54,533	174,272	-	228,805	261,994
Other*	18,073	-	46,842	64,915	24,584
Sheriff fees	58,004	-	-	58,004	52,669
Secretary of State	1,925	-	-	1,925	1,950
Judge's supplemental compensation fund	<u>13,089</u>	<u>-</u>	<u>-</u>	<u>13,089</u>	<u>12,080</u>
Total reductions	<u>472,597</u>	<u>174,272</u>	<u>46,842</u>	<u>693,711</u>	<u>660,273</u>
Cash, end of year	85,053	16,306	8,092	109,451	83,004
Interest-bearing deposits, end of year	<u>450,611</u>	<u>710,937</u>	<u>-</u>	<u>1,161,548</u>	<u>1,231,539</u>
Total assets, end of year	<u>\$ 535,664</u>	<u>\$727,243</u>	<u>\$ 8,092</u>	<u>\$1,270,999</u>	<u>\$1,314,543</u>
<b>LIABILITIES</b>					
Due to litigants and other funds, beginning of year	\$ 509,644	\$797,845	\$ 7,054	\$1,314,543	\$1,298,994
Additions	498,617	103,670	47,880	650,167	675,822
Reductions	<u>472,597</u>	<u>174,272</u>	<u>46,842</u>	<u>693,711</u>	<u>660,273</u>
Due to litigants and other funds, end of year	<u>\$ 535,664</u>	<u>\$727,243</u>	<u>\$ 8,092</u>	<u>\$1,270,999</u>	<u>\$1,314,543</u>

\*Other - Witness fees, jury fees, jury commissioners, and court reporter fees.

**INTERNAL CONTROL, COMPLIANCE**

**AND**

**OTHER MATTERS**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*  
Robert S. Carter, CPA\*  
Arthur R. Mixon, CPA\*

Tynes E. Mixon, Jr., CPA  
Allen J. LaBry, CPA  
Albert R. Leger, CPA, PFS, CSA\*  
Penny Angelle Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Marshall W. Guidry, CPA  
Alan M. Taylor, CPA  
James R. Roy, CPA  
Robert J. Metz, CPA  
Kelly M. Doucet, CPA  
Cheryl L. Bartley, CPA  
Mandy B. Self, CPA  
Paul L. Delcambre, Jr., CPA  
Wanda F. Arcement, CPA, CVA  
Kristin B. Dauzat, CPA  
Richard R. Anderson Sr., CPA  
Carolyn C. Anderson, CPA

Retired:  
Conrad O. Chapman, CPA\* 2006  
Harry J. Closto, CPA 2007

\* A Professional Accounting Corporation

## OFFICES

183 South Beadle Rd Lafayette, LA 70508 Phone (337) 232-4141 Fax (337) 232-6660	450 East Main Street New Iberia, LA 70560 Phone (337) 367-9204 Fax (337) 367-9208
--	--

113 East Bridge St. Breaux Bridge, LA 70517 Phone (337) 332-4020 Fax (337) 332-2867	200 South Main Street Abbeville, LA 70510 Phone (337) 893-7944 Fax (337) 893-7946
--	--

1234 David Dr. Ste 203 Morgan City, LA 70380 Phone (985) 384-2020 Fax (985) 384-3020	1013 Main Street Franklin, LA 70538 Phone (337) 828-0272 Fax (337) 828-0290
---	--

408 West Cotton Street Ville Platte, LA 70586 Phone (337) 363-2792 Fax (337) 363-3049	133 East Waddil St. Marksville, LA 71351 Phone (318) 253-9252 Fax (318) 253-8681
--	---

332 West Sixth Avenue Oberlin, LA 70655 Phone (337) 539-4737 Fax (337) 539-4568	621 Main Street Pineville, LA 71360 Phone (318) 442-4421 Fax (318) 442-9633
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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Edmond E. Kinler, Jr.  
St. James Parish Clerk of Court  
Convent, Louisiana

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the St. James Parish Clerk of Court as of and for the year ended June 30, 2009, which collectively comprise the St. James Parish Clerk of Court's basic financial statements and have issued our report thereon dated September 16, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the St. James Parish Clerk of Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the St. James Parish Clerk of Court's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the St. James Clerk of Court's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as items 09-1(IC) and 09-2(IC) to be a significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. However, we consider items 09-1(IC) and 09-2(IC) to be material weaknesses.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the St. James Parish Clerk of Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards

The St. James Parish Clerk of Court's response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan. We did not audit the St. James Parish Clerk of Court's response and, accordingly, we express no opinion on it.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
September 16, 2009

ST. JAMES PARISH CLERK OF COURT  
Convent, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
For the Year Ended June 30, 2009

Fiscal Year		Description of finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
Ref. No.	Finding Initially Occurred					
<u>CURRENT YEAR (6/30/09) --</u>						
<u>Internal Control:</u>						
09-1(IC)	Unknown	The Clerk did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Edmond Kinler, Jr., Clerk of Court	N/A
09-2(IC)	2008	The Clerk does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing its financial statements, including the related notes.	N/A	The Clerk has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Edmond Kinler, Jr., Clerk of Court	N/A
<u>PRIOR YEAR (6/30/08) --</u>						
<u>Internal Control:</u>						
08-1(IC)	Unknown	The Clerk did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Edmond Kinler, Jr., Clerk of Court	N/A
08-2(IC)	2008	The Clerk does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing its financial statements, including the related notes.	N/A	The Clerk has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Edmond Kinler, Jr., Clerk of Court	N/A